

PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY

MATERIAL EVENT NOTICE
(NOTICE OF TENDER, DEFEASANCE AND REDEMPTION)

Dated: September 22, 2011

Puerto Rico Highways and Transportation Authority (the "Authority") hereby gives notice as follows:

1. On September 22, 2011, the Authority and Autopistas Metropolitanas de Puerto Rico, LLC, a consortium between Goldman Sachs Infrastructure Partners II, L.P. and Abertis Infraestructuras ("Metropistas") reached financial close on the Toll Road Concession Agreement, pursuant to which the Authority granted to Metropistas the right to operate toll roads PR-22 and PR-5 (the "Toll Roads") for a term of 40 years (the "Concession Agreement"), during which period Metropistas will have the right to charge, collect and retain the tolls imposed on the Toll Roads and is obligated to make significant investments in the rehabilitation of the Toll Roads. In exchange, the Authority received an upfront payment from Metropistas (the "Concession Fee"), a portion of which the Authority used to reimburse itself in full for all the costs of the Toll Roads paid in part from bond proceeds and as a result the tolls generated from the Toll Roads will no longer be subject to the lien of the Resolutions and will no longer be available to pay principal of or interest on the Authority's bonds. The Authority will use such reimbursement to defease, redeem or pay the purchase price of certain bonds ("Transportation Revenue Bonds") issued under its Resolution No. 68-18 adopted by the Authority on June 13, 1968, as amended (the "Resolution").

2. On August 18, 2011, the Authority offered an Invitation to Tender Bonds to the owners of the various bonds issued by the Authority. The table attached hereto as Exhibit A shows the applicable Series, maturity dates, and the respective principal amounts of the Transportation Revenue Bonds purchased on September 22, 2011 from a portion of the Concession Fee (the "Purchased Bonds").

3. Also on September 22, 2011, the Authority used a portion of the Concession Fee to defease certain Transportation Revenue Bonds of the applicable Series, having the respective maturity dates, and in the respective principal amounts issued in the table attached hereto as Exhibit B (the "Defeased Bonds").

4. Also reflected in Exhibit B, to the extent applicable, are the redemption dates and redemption prices for the Defeased Bonds that are to be redeemed prior to their respective maturity dates and for the Defeased Bonds which represent only a portion of a particular Transportation Revenue Bonds, the original CUSIP number, the new CUSIP for the Defeased Bond and the new CUSIP for the portion of such Transportation Revenue Bond that will remain Outstanding under the Resolution. The Bank of New York Mellon, as fiscal agent under the Resolution and as escrow agent for the Defeased Bonds, has been instructed to cause to be selected by lot, the allocable portion of the partially defeased Transportation Revenue Bonds that are Defeased Bonds.

5. The pledge and lien created by the Resolution for the benefit of the holders of the Purchased Bonds and the Defeased Bonds, and all other rights granted to the holders thereof under the Resolution is discharged and satisfied.

6. The Corporation delivers this Material Event Notice (Notice of Purchase, Defeasance and Redemption) pursuant to the various Continuing Disclosure Undertakings delivered by the Authority in connection with the Bonds issued under the Resolution from time to time.

Capitalized terms used herein and not defined shall have the meaning given to them in the Resolution.

Dated as of the date and year written above.

PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY

By: _____
Authorized Representative

EXHIBIT A

<u>Series</u>	<u>Maturity Date</u> <u>July 1,</u>	<u>Principal Amount</u> <u>Accepted for Tender</u>	<u>CUSIP</u> <u>Number</u>
1996Z	2015	\$ 6,325,000	745181PC5
2007CC	2016	9,590,000	745181A56
2005BB	2017	5,960,000	745181ZJ9
2005BB	2018	10,025,000	745181ZK6

EXHIBIT B

Series 1993W Bonds

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013	\$53,915,000	At maturity	-	745181BZ9	-	-
2015	36,990,000	At maturity	\$15,260,000	745181CB1	745181L21	745181L39

Mandatory Redemption

The Series 1993 W Bonds maturing on July 1, 2015 are subject to redemption in part on July 1, 2014 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1968 Sinking Fund) from moneys in the 1968 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for
1993W Bonds maturing July 1, 2015 that will be outstanding**

<u>Year</u>	<u>Amount</u>
2014	\$ 11,900,000
2015	3,360,000

Series 1993 X Bonds

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013	\$16,485,000	At maturity	\$4,800,000	745181CA3	745181L47	745181L62
2015	37,890,000	At maturity	\$11,455,000	745181FD4	745181L54	745181L70

Mandatory Redemption

The Series 1993 X Bonds maturing on July 1, 2013 are subject to redemption in part on July 1, 2012 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1968 Sinking Fund) from moneys in the 1968 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for
1993X Bonds maturing July 1, 2013 that will be outstanding**

<u>Year</u>	<u>Amount</u>
2012	\$ 4,800,000
2013	-

The Series 1993 X Bonds maturing on July 1, 2015 are subject to redemption in part on July 1, 2014 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1968 Sinking Fund) from moneys in the 1968 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for
1993X Bonds maturing July 1, 2015 that will be outstanding**

<u>Year</u>	<u>Amount</u>
2014	-
2015	\$11,455,000

Series 1996Z Bonds

Maturity date, <u>July 1</u>	<u>Defeased Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	<u>CUSIP</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2013	\$ 115,000	At maturity	\$ 8,570,000	745181PA9	745181L88	745181M46
2014	4,995,000	At maturity	12,210,000	745181PB7	745181L96	745181M53
2016	865,000	At maturity	18,595,000	745181PD3	745181M20	745181M61

Series 1996Z Bonds

Maturity Date, <u>July 1</u>	<u>Defeased Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP Number	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2018	\$22,825,000	At Maturity	\$19,775,000	745181PE1	745181M38	745181M79

Mandatory Redemption

The Series 1996 Z Bonds maturing on July 1, 2018 are subject to redemption in part on July 1, 2017 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1968 Sinking Fund) from moneys in the 1968 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for
1996Z Bonds maturing July 1, 2018 that will be outstanding**

<u>Year</u>	<u>Amount</u>
2017	-
2018	\$19,755,000

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Series 2003AA Bonds

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased Bonds	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$1,060,000	At maturity	-	745181WZ6	-	-
2012	3,050,000	At maturity	-	745181WY9	-	-
2013	2,725,000	At maturity	-	745181XA0	-	-
2015	1,825,000	At maturity	-	745181XB8	-	-
2016	31,160,000	At maturity	-	745181XD4	-	-
2016	9,365,000	At maturity	-	745181XC6	-	-
2017	24,855,000	At maturity	\$16,870,000	745181XF9	745181M95	745181N60
2017	520,000	At maturity	-	745181XE2	-	-
2018	42,020,000	At maturity	1,770,000	745181XH5	745181N29	745181N78
2018	860,000	At maturity	-	745181XG7	-	-
2019	56,050,000	At maturity	12,310,000	745181XK8	745181N37	745181N86
2019	235,000	At maturity	-	745181XJ1	-	-
2020	22,860,000	At maturity	13,015,000	745181XM4	745181N45	745181N94
2020	325,000	At maturity	-	745181XL6	-	-
2022	1,580,000	At maturity	-	745181XP7	-	-

2003AA Bonds

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased Bonds	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2026	\$77,620,000	At Maturity	\$110,775,000	745181K89	745181M87	745181N52

Mandatory Redemption

The Series 2003AA Bonds maturing on July 1, 2026 are subject to redemption in part on July 1, 2020 and in each July 1 immediately after the fiscal year for which there is an Amortization Requirement to the extent of the Amortization Requirement for said bonds (less the amount of bonds retired by purchase from moneys in the 1968 Sinking Fund) from moneys in the 1968 Senior Sinking Fund at par plus accrued interest in the years and in the amounts set forth below:

**Amortization Requirement for
2003AA Bonds maturing July 1, 2026 that will be outstanding**

<u>Year</u>	<u>Amount</u>
2020	\$35,000,000
2021	42,620,000
2023	-
2024	-
2025	-
2026	-

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Series 2005 BB

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$ 70,000	At maturity	-	745181ZD2	-	-
2013	75,000	At maturity	-	745181ZE0	-	-
2014	80,000	At maturity	-	745181ZF7	-	-
2015	80,000	At maturity	-	745181ZG5	-	-
2016	85,000	At maturity	-	745181ZH3	-	-
2022	22,180,000	At maturity	\$39,900,000	745181ZL4	745181P27	745181P35

Series 2007 CC

Maturity Date, <u>July 1</u>	Defeased <u>Amount</u>	Maturity or Redemption <u>Date</u>	Principal Amount to Remain <u>Outstanding</u>	Original CUSIP <u>Number</u>	CUSIP Number For the Defeased <u>Bonds</u>	CUSIP Number for Bonds to Remain <u>Outstanding</u>
2012	\$1,020,000.00	At maturity	-	745181ZZ3	-	-
2013	1,070,000.00	At maturity	-	745181A23	-	-
2014	1,125,000.00	At maturity	-	745181A31	-	-
2015	1,180,000.00	At maturity	-	745181A49	-	-
2017	836,191.80	At maturity	-	745181A64	-	-
2018	798,229.35	At maturity	-	745181A72	-	-
2019	761,558.85	At maturity	-	745181A80	-	-
2020	727,080.75	At maturity	-	745181A98	-	-
2022	659,425.00	At maturity	-	745181B30	-	-